



Important Information to Look for When Reviewing Your Tax Return

Personal (Individual) Tax Returns (Form 1040)

What to Review

1

Federal Income Tax Summary

This shows your income, itemized deductions, credits, refund / amount due, among other things. This page is also a nice visual representation of what your numbers look like compared to the previous tax year.

2

State Income Tax Summary (if applicable)

Shows the same information as above, but for the State you live in and any other states you may be required to file.

3

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Here are some items to keep an eye out for on the top half of the page:

- Filing Status
- First + Last Name
- Social Security Number (SSN)
- Home Address
- Dependent information

*If any of the information is not presented correctly on your tax return, please let us know immediately so we can correct it prior to filing.

Here are some items to keep an eye out for on the bottom half of the page:

Line 1 - Wages from W-2
(full time employment salary)
Line 4a - IRA distributions
Line 7 - Capital gain (or loss)
Line 9 - Total income

Line 10c - Total adjustments to income
(equal to Line 22 on Schedule 1)
Line 11 - Adjusted gross income (AGI)
Line 15 - Taxable income (amount you are actually
taxed on)



Important Information to Look for When Reviewing Your Tax Return

Personal (Individual) Tax Returns (Form 1040)

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Here are some items to keep an eye out for on the top half of the page:

- Line 16 - Tax
- Line 24 - Total tax

Here are some items to keep an eye out for on the bottom half of the page:

- Line 35a - Amount refunded (if applicable)
- Line 37 - Amount you owe (if applicable)

Schedule C (if applicable)

Here are some items to keep an eye out for on the top half of the page:

- Name of proprietor (owner of business)
- SSN
- Principal business or profession
- Business name
- Employer ID number (EIN)

Part I - Income:

Line 1 - Gross receipts or sales
Line 5 - Gross profit
Line 7 - Gross income

Part II - Expenses:

Should review this entire section to make sure it matches up with your bookkeeping records.
Line 28 - Total expenses
Line 31 - Net profit or (loss)

Part V - Other Expenses:

Please review this entire section to make sure it matches up with your bookkeeping records.

Schedule D (if applicable)

Part I - Short-Term Capital Gains and Losses:

Line 7 - Net short-term capital gain or (loss)

Part II - Long-Term Capital Gains and Losses:

Line 15 - Net long-term capital gain or (loss)

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Personal (Individual) Tax Returns Form 1040 Examples

Federal Income Tax Summary

2020

Federal Income Tax Summary

Page 1

	2020	2019	Diff
INCOME			
Business income.....	239,967	38,690	201,277
Capital gain or loss.....	10	0	10
Total income.....	239,977	38,690	201,287
ADJUSTMENTS TO INCOME			
Deductible part of self-employment tax...	11,751	2,734	9,017
Self-employed SEP, SIMPLE, qual. plans...	45,643	0	45,643
Student loan interest deduction.....	0	1,424	-1,424
Total adjustments.....	57,394	4,158	53,236
Adjusted gross income.....	182,583	34,532	148,051
ITEMIZED DEDUCTIONS			
Taxes.....	1,318	1,569	-251
Total itemized deductions.....	1,318	1,569	-251
TAX COMPUTATION			
Standard deduction.....	12,400	12,200	200
Larger of itemized or standard deduction	12,400	12,200	200
Qualified business income deduction.....	31,487	4,466	27,021
Taxable income.....	138,696	17,866	120,830
Tax before credits.....	27,366	1,951	25,415
CREDITS			
Total credits.....	0	0	0
Tax after credits.....	27,366	1,951	25,415
OTHER TAXES			
Self-employment tax.....	23,502	5,467	18,035
Other taxes.....	194	0	194
Total tax.....	51,062	7,418	43,644
PAYMENTS			
Total payments.....	0	0	0
REFUND OR AMOUNT DUE			
Amount you owe.....	51,062	7,418	43,644
TAX RATES			
Marginal tax rate.....	24.0%	12.0%	12.0%
Effective tax rate.....	36.8%	41.5%	-4.7%



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State Income Tax Summary

2020

California Income Tax Summary

Page 1

	2020	2019	Diff
FEDERAL ADJUSTED GROSS INCOME			
Federal adjusted gross income.....	182,583	34,532	148,051
ADJUSTED GROSS INCOME			
Adjusted gross income.....	182,583	34,532	148,051
ITEMIZED DEDUCTIONS			
California itemized deductions.....	0	0	0
California standard deduction.....	4,601	4,537	64
TAX COMPUTATION			
Total taxable income.....	177,982	29,995	147,987
Tax.....	13,681	694	12,987
Exemption credits.....	124	122	2
Net tax.....	13,557	572	12,985
PAYMENTS			
California income tax withheld.....	0	0	0
Total payments.....	0	0	0
USE TAX			
Use tax.....	0	7	-7
ISR PENALTY			
Individual shared responsibility penalty	3,468	0	3,468
REFUND OR AMOUNT DUE			
Amount overpaid.....	0	0	0
Underpayment penalty.....	14	20	-6
Amount you owe.....	17,039	599	16,440
TAX RATES			
Marginal tax rate.....	9.3%	4.0%	5.3%
Effective tax rate.....	7.6%	1.9%	5.7%



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Form 1040, Page 1

Form **1040** Department of the Treasury — Internal Revenue Service (99) **2020** U.S. Individual Income Tax Return OMB No. 1545-0074 IRS Use Only — Do not write or staple in this space.

Filing Status Single Married filing jointly Married filing separately (MFS) Head of household (HOH) Qualifying widow(er) (QW)
 Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent ▶

Your first name and middle initial _____ Last name _____ **Your social security number** _____

If joint return, spouse's first name and middle initial _____ Last name _____ **Spouse's social security number** _____

Home address (number and street). If you have a P.O. box, see instructions. _____ Apt. no. _____ **Presidential Election Campaign**
 Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.
 You Spouse

City, town, or post office. If you have a foreign address, also complete spaces below. _____ State _____ ZIP code _____

Foreign country name _____ Foreign province/state/county _____ Foreign postal code _____

At any time during 2020, did you receive, sell, send, exchange, or otherwise acquire any financial interest in any virtual currency? Yes No

Standard Deduction **Someone can claim:** You as a dependent Your spouse as a dependent
 Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness **You:** Were born before January 2, 1956 Are blind **Spouse:** Was born before January 2, 1956 Is blind

Dependents (see instructions):

If more than four dependents, see instructions and check here ▶ <input type="checkbox"/>	(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) ✓ if qualifies for (see instructions):	
					Child tax credit	Credit for other dependents

1	Wages, salaries, tips, etc. Attach Form(s) W-2	1	
2a	Tax-exempt interest	2a	
2b	Taxable interest	2b	
3a	Qualified dividends	3a	
3b	Ordinary dividends	3b	
4a	IRA distributions	4a	
4b	Taxable amount	4b	
5a	Pensions and annuities	5a	
5b	Taxable amount	5b	
6a	Social security benefits	6a	
6b	Taxable amount	6b	
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here	7	10.
8	Other income from Schedule 1, line 9	8	239,967.
9	Add lines 1, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income	9	239,977.
10	Adjustments to income:		
10a	From Schedule 1, line 22	10a	57,394.
10b	Charitable contributions if you take the standard deduction. See instructions	10b	
10c	Add lines 10a and 10b. These are your total adjustments to income	10c	57,394.
11	Subtract line 10c from line 9. This is your adjusted gross income	11	182,583.
12	Standard deduction or itemized deductions (from Schedule A)	12	12,400.
13	Qualified business income deduction. Attach Form 8995 or Form 8995-A	13	31,487.
14	Add lines 12 and 13	14	43,887.
15	Taxable income. Subtract line 14 from line 11. If zero or less, enter -0-	15	138,696.

Standard Deduction for —
 • Single or Married filing separately, \$12,400
 • Married filing jointly or Qualifying widow(er), \$24,800
 • Head of household, \$18,650
 • If you checked any box under **Standard Deduction**, see instructions.

BAA For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Form 1040 (2020)



Personal (Individual) Tax Returns Form 1040 Examples

Schedule 1 - Additional Income and Adjustments to Income

Part II Adjustments to Income			
10	Educator expenses.....	10	
11	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106.....	11	
12	Health savings account deduction. Attach Form 8889.....	12	
13	Moving expenses for members of the Armed Forces. Attach Form 3903.....	13	
14	Deductible part of self-employment tax. Attach Schedule SE.....	14	11,751
15	Self-employed SEP, SIMPLE, and qualified plans.....	15	45,643
16	Self-employed health insurance deduction.....	16	
17	Penalty on early withdrawal of savings.....	17	
18a	Alimony paid.....	18a	
b	Recipient's SSN..... ▶ _____		
c	Date of original divorce or separation agreement (see instructions) ▶ _____		
19	IRA deduction.....	19	
20	Student loan interest deduction.....	20	
21	Tuition and fees deduction. Attach Form 8917.....	21	
22	Add lines 10 through 21. These are your adjustments to income . Enter here and on Form 1040, 1040-SR, or 1040-NR, line 10a.....	22	57,394

BAA For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule 1 (Form 1040) 202



Personal (Individual) Tax Returns Form 1040 Examples

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16 Tax (see instructions). Check if any from Form(s): 1 <input type="checkbox"/> 8814			
2 <input type="checkbox"/> 4972	3 <input type="checkbox"/>		
17 Amount from Schedule 2, line 3		16	27,366.
18 Add lines 16 and 17		17	
19 Child tax credit or credit for other dependents		18	27,366.
20 Amount from Schedule 3, line 7		19	
21 Add lines 19 and 20		20	
22 Subtract line 21 from line 18. If zero or less, enter -0-		21	0.
23 Other taxes, including self-employment tax, from Schedule 2, line 10		22	27,366.
24 Add lines 22 and 23. This is your total tax		23	23,696.
25 Federal income tax withheld from:		24	51,062.
a Form(s) W-2		25a	
b Form(s) 1099		25b	
c Other forms (see instructions)		25c	
d Add lines 25a through 25c		25d	
26 2020 estimated tax payments and amount applied from 2019 return		26	
27 Earned income credit (EIC)		27	
28 Additional child tax credit. Attach Schedule 8812		28	
29 American opportunity credit from Form 8863, line 8		29	
30 Recovery rebate credit. See instructions		30	
31 Amount from Schedule 3, line 13		31	
32 Add lines 27 through 31. These are your total other payments and refundable credits		32	
33 Add lines 25d, 26, and 32. These are your total payments		33	0.
Refund 34 If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you overpaid		34	
35a Amount of line 34 you want refunded to you . If Form 8888 is attached, check here		35a	
b Routing number		c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
d Account number			
36 Amount of line 34 you want applied to your 2021 estimated tax		36	
Amount You Owe 37 Subtract line 33 from line 24. This is the amount you owe now		37	51,062.
Note: Schedule H and Schedule SE filers, line 37 may not represent all of the taxes you owe for 2020. See Schedule 3, line 12e, and its instructions for details.			
38 Estimated tax penalty (see instructions)		38	
Third Party Designee Do you want to allow another person to discuss this return with the IRS? See instructions <input checked="" type="checkbox"/> Yes . Complete below. <input type="checkbox"/> No			
Designee's name Miguel Centeno		Phone no. (866) 235-8426	Personal identification number (PIN) 50255
Sign Here Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.			
Your signature		Date	Your occupation Marketing
Spouse's signature. If a joint return, both must sign.		Date	Spouse's occupation
Phone no.		Email address	
Paid Preparer Use Only Preparer's name Miguel Centeno		Preparer's signature Miguel Centeno	Date
Firm's name Centurion Group Advisors, Inc		PTIN P01530730	Check if: <input type="checkbox"/> Self-employed
Firm's address 553 N. Pacific Coast Hwy Redondo Beach, CA 90277		Phone no. 866-235-8426	Firm's EIN 81-3985337

Go to www.irs.gov/Form1040 for instructions and the latest information.

Form 1040 (2020)



Personal (Individual) Tax Returns Form 1040 Examples

Schedule C (if applicable)

SCHEDULE C
(Form 1040)

Profit or Loss From Business
(Sole Proprietorship)

OMB No. 1545-0074
2020
Attachment Sequence No. **09**

Department of the Treasury Internal Revenue Service (99) **Go to www.irs.gov/ScheduleC for instructions and the latest information.**
Attach to Form 1040, 1040-SR, 1040-NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor _____ Social security number (SSN) _____

A Principal business or profession, including product or service (see instructions) _____ **B** Enter code from instructions _____

C Business name. If no separate business name, leave blank. _____ **D** Employer ID number (EIN) (see instr.) _____

E Business address (including suite or room no.) _____
City, town or post office, state, and ZIP code _____

F Accounting method: (1) Cash (2) Accrual (3) Other (specify) _____

G Did you "materially participate" in the operation of this business during 2020? If "No," see instructions for limit on losses. Yes No

H If you started or acquired this business during 2020, check here _____ Yes No

I Did you make any payments in 2020 that would require you to file Form(s) 1099? See instructions. _____ Yes No

J If "Yes," did you or will you file required Form(s) 1099? _____ Yes No

Part I Income

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked. <input type="checkbox"/>	1	293,516.
2	Returns and allowances	2	
3	Subtract line 2 from line 1	3	293,516.
4	Cost of goods sold (from line 42)	4	
5	Gross profit. Subtract line 4 from line 3	5	293,516.
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7	Gross income. Add lines 5 and 6	7	293,516.

Part II Expenses Enter expenses for business use of your home **only** on line 30.

8	Advertising	8	5,610.	18	Office expense (see instructions)	18	3,634.
9	Car and truck expenses (see instructions)	9	542.	19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see instructions):		
11	Contract labor (see instructions)	11	17,354.	20a	a Vehicles, machinery, and equipment	20a	932.
12	Depletion	12		20b	b Other business property	20b	
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21	Repairs and maintenance	21	
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	
15	Insurance (other than health)	15	2,220.	23	Taxes and licenses	23	20.
16	Interest (see instr.):			24	Travel and meals:		
16a	a Mortgage (paid to banks, etc.)	16a		24a	a Travel	24a	541.
16b	b Other	16b	3,569.	24b	b Deductible meals (see instructions)	24b	2,147.
17	Legal and professional services	17	6,892.	25	Utilities	25	1,299.
25				26	Wages (less employment credits)	26	
26				27a	Other expenses (from line 48)	27a	4,231.
27a				27b	Reserved for future use	27b	
28	Total expenses before expenses for business use of home. Add lines 8 through 27a	28	48,991.				
29	Tentative profit or (loss). Subtract line 28 from line 7	29	244,525.				
30	Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method. See instructions. Simplified method filers only: Enter the total square footage of (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	30	9,140.				
31	Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Schedule 1 (Form 1040), line 3 , and on Schedule SE, line 2 . (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3 . • If a loss, you must go to line 32.	31	235,385.				
32	If you have a loss, check the box that describes your investment in this activity. See instructions. • If you checked 32a, enter the loss on both Schedule 1 (Form 1040), line 3 , and on Schedule SE, line 2 . (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3 . • If you checked 32b, you must attach Form 6198 . Your loss may be limited.	32a	<input type="checkbox"/> All investment is at risk.	32b	<input type="checkbox"/> Some investment is not at risk.		

BAA For Paperwork Reduction Act Notice, see the separate instructions. FDZ0112L 11/17/20 Schedule C (Form 1040) 2020



Personal (Individual) Tax Returns Form 1040 Examples

Schedule C (if applicable)

Schedule C (Form 1040) 2020

Page

Part III Cost of Goods Sold (see instructions)

33 Method(s) used to value closing inventory: a Cost b Lower of cost or market c Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation. Yes No

35 Inventory at beginning of year. If different from last year's closing inventory, attach explanation. 35

36 Purchases less cost of items withdrawn for personal use. 36

37 Cost of labor. Do not include any amounts paid to yourself. 37

38 Materials and supplies. 38

39 Other costs. 39

40 Add lines 35 through 39. 40

41 Inventory at end of year. 41

42 **Cost of goods sold.** Subtract line 41 from line 40. Enter the result here and on line 4. 42

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month/day/year) ▶ 1/01/18

44 Of the total number of miles you drove your vehicle during 2020, enter the number of miles you used your vehicle for:
 a Business 1,200 b Commuting (see instructions) _____ c Other 7,312

45 Was your vehicle available for personal use during off-duty hours? Yes No

46 Do you (or your spouse) have another vehicle available for personal use? Yes No

47 a Do you have evidence to support your deduction? Yes No
 b If "Yes," is the evidence written? Yes No

Part V Other Expenses List below business expenses not included on lines 8-26 or line 30.

Bank Charges	1,180
Charitable Contributions	508
Dues and Subscriptions	1,499
Miscellaneous	704
Postage	340
48 Total other expenses. Enter here and on line 27a.	4,231

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Personal (Individual) Tax Returns Form 1040 Examples

Schedule D (if applicable)

SCHEDULE D (Form 1040)		Capital Gains and Losses		OMB No. 1545-0074	
Department of the Treasury Internal Revenue Service (99)		▶ Attach to Form 1040, 1040-SR, or 1040-NR. ▶ Go to www.irs.gov/ScheduleD for instructions and the latest information. ▶ Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.		2020 Attachment Sequence No. 12	
Name(s) shown on return			Your social security number		
Did you dispose of any investment(s) in a qualified opportunity fund during the tax year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.					
Part I Short-Term Capital Gains and Losses – Generally Assets Held One Year or Less (see instructions)					
See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.		(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b		2.	2.		
1b Totals for all transactions reported on Form(s) 8949 with Box A checked					
2 Totals for all transactions reported on Form(s) 8949 with Box B checked					
3 Totals for all transactions reported on Form(s) 8949 with Box C checked					
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824					4
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1					5
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet in the instructions					6
7 Net short-term capital gain or (loss) . Combine lines 1a through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on the back					7
Part II Long-Term Capital Gains and Losses – Generally Assets Held More Than One Year (see instructions)					
See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.		(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b		94.	84.		10.
8b Totals for all transactions reported on Form(s) 8949 with Box D checked					
9 Totals for all transactions reported on Form(s) 8949 with Box E checked					
10 Totals for all transactions reported on Form(s) 8949 with Box F checked					
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824					11
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1					12
13 Capital gain distributions. See the instrs.					13
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet in the instructions					14
15 Net long-term capital gain or (loss) . Combine lines 8a through 14 in column (h). Then, go to Part III on the back					15

BAA For Paperwork Reduction Act Notice, see your tax return instructions.

FDIA0612L 08/26/20

Schedule D (Form 1040) 2020